



Terms of Reference

FOR

**CONSULTANCY FOR THE REVIEW AND RE-ENGINEERING OF BELIZE
ELECTRICITY LIMITED'S INVENTORY MANAGEMENT & LOGISTICS**

Prepared by:
Belize Electricity Limited
Inventory Management & Logistics Department
2½ Miles Philip Goldson Highway
Belize City, Belize
April 2023

Bidders will be required to submit a fixed price quotation and provide all relevant information indicated in the section Submission and Evaluation of Proposals. Submit proposals via email to bidsubmittal@bel.com.bz no later than **3:00 p.m. local time on Friday, May 12, 2023**, and labelled:

BID #2023-1897 Inventory Management Consultancy

IMPORTANT DATES:

- Bid Due Date – 3:00 p.m. local time on Friday, May 12, 2023
- Pre-bid virtual meeting – 2:00 p.m. local time on Tuesday, May 9, 2023.
- Questions or queries will be addressed on a pre-bid virtual meeting or can be emailed at bidboxrequest@bel.com.bz on or before Monday, May 8, 2023

BID CRITERIA

- I. Technical proposal - 70%
- II. Economic proposal - 30%

TERMS OF BIDDING AND EVALUATION CRITERIA

GENERAL

1. Background Information

- 1.1 BEL's Mission is to deliver safe, reliable, and sustainable energy solutions to enhance the quality of life and the productivity of enterprise and to support national development. The Company's Inventory Management & Logistics function is charged with the responsibility for the receipt, storage, safe-keeping, issuing, and transportation & handling of materials held in inventory to support the Company's operations.
- 1.2 Over the years, numerous problems have plagued the Company regarding its management of inventory: (i) the most critical External Audit finding over the past five (5) years has remained the Company's inability to reconcile between physical stock counts and inventory records, and between inventory records and the relevant General Ledger accounts, including importantly diesel fuel stocks (ii) numerous instances of stock-out of essential materials and supplies e.g. transformers, meters, street lights, poles and connectors (iii) numerous instances of finding materials that are not recorded in inventory or already issued from inventory but remain unused over extended periods of time (iv) poorly organized storage and warehousing of inventory materials and equipment, including security arrangements (v) reports of pilfering of materials and supplies held in stock, including diesel fuel stocks (vi) loose controls over issuing of materials from stock and passage of materials into and out of satellite warehouse compounds (vii) inadequate tracking of materials and equipment from vendor delivery to receipt at main warehouse (viii) inconsistent handling of used and unused materials returned to inventory, and (ix) inconsistent review and implementation of inventory minimum stocks, reorder points and reorder quantities.

2. Scope of Work

- 2.1 The Consultant will review and document BEL's current end-to-end inventory management and logistics processes to determine how well they align with the Company's objectives and

the requirements of the end-use departments as well as with regional and international best practices. Based on these findings and other relevant considerations, the Consultant will propose a wholly revised end-to-end process with supporting policies, procedures, and systems re-engineered to deliver on the Company's mission, vision, objectives, and strategic plans and to meet the requirements of end-users as cost-effectively as possible.

3. Tasks

- 3.1 Conduct a fact-finding exercise to understand and document the current end-to-end inventory management and logistics and related planning processes for materials, supplies, and equipment held in/to be held in stock. This will include a desk review of relevant documents and interviews with key stakeholders.
- 3.2 Conduct a desk review of inventory management and logistics policies and practices for a reasonable sample of utilities and/or essential service organizations regionally and internationally for comparison and any best-practice international standards or guidance material on the same.
- 3.3 Investigate and assess the effectiveness and efficiency of BEL's inventory management and logistics policies and procedures in meeting external and internal customer requirements and expectations. This should include a cataloguing of the deficiencies of the current system vis-à-vis customer requirements/expectations and best-practice standards.
- 3.4 Re-engineer BEL's end-to-end inventory management and logistics processes taking into consideration the findings and assessments from the foregoing tasks. This will include proposing a new organizational structure (with summary job descriptions and required qualifications) to support the new processes and a performance measurement system to monitor the achievement of objectives.
- 3.5 Prepare appropriate policies and procedures to support the new processes and propose/specify a software platform on top of which the end-to-end processes can/will be implemented.

4. Submission/Inquires

- 4.1 Proposals should demonstrate an understanding of the core issues, research approach, and qualifications to effectively deliver on terms of reference. Proposals will be accepted by email only as follows:

Email address: bidsubmittal@bel.com.bz

Subject of email: **BID #2023-1897 Inventory Management Consultancy**

BID Due Date: 3:00 p.m. local time on Friday, May 12, 2023

- 4.2 Inquires will be addressed at a pre-bid virtual meeting at 2:00 p.m. on Tuesday, May 9, 2023, or can be emailed on or before Monday, May 8, 2023. To request link for the pre-bid virtual meeting and to submit inquires send an email to bidboxrequest@bel.com.bz.

5. Deliverables

- 5.1 The key deliverables for this consultancy are listed in the table below. The consultancy is expected to run for a period of not more than one and thirty (130) business days from the contract execution date. All reports must be submitted in English to BEL and will be the sole property of BEL. The deliverables will include all reports as required and described under this section.

Item	Description	Due on
Inception Report	Mutual understanding of the plan of action and timeline for conducting the consultancy and the additional guarantee of adherence to, and interpretation of the Terms of Reference (TOR).	5 business days after contract execution
Documentation Report	Findings after the completion of Task 1 BEL will provide feedback and comments 5 business days after receipt of the report to be reflected in the ensuing tasks. Feedback is not limited to written	30 business days after contract execution

	submissions and may also involve discussion sessions.	
Assessment Report	<p>Assessment after consideration of feedback and comments on the documentation report and the completion of tasks 2 & 3.</p> <p>BEL will provide feedback and comments 5 business days after receipt of the report to be reflected in the ensuing tasks. Feedback is not limited to written submissions and may also involve discussion sessions.</p>	45 business days after contract execution
Re-engineering Report	<p>Proposal after consideration of feedback and comments on assessment report and the completion of task 4.</p> <p>BEL will provide feedback and comments 10 business days after receipt of the report to be reflected in the ensuing tasks. Feedback is not limited to written submissions and may also involve discussion sessions.</p>	70 business days after contract execution
Draft Final Report	<p>Recommendations after consideration of feedback and comments on re-engineering report and the completion of task 5.</p>	25 business days after receiving feedback and comments on re-engineering report

	BEL will provide feedback and comments 10 business days after receipt of the report to be reflected in the ensuing tasks. Feedback is not limited to written submissions and may also involve discussion sessions.	
Final Report	After consideration of feedback and comments on draft final report	15 business days after receiving feedback and comments on the draft final report

6. Roles and Responsibilities

- 6.1 The Consultant will provide all the deliverables specified in this Terms of Reference (TOR).
- 6.2 A project coordinator will be appointed by BEL to supervise and coordinate the consultancy. The Consultant will report to the project coordinator and submit all reports to her/him as required by the TOR. The Project Coordinator will be responsible for the reviewing and approval of scope changes, reviewing and signing-off on all reports and consultancy outputs produced by the Consultant, and approving payments.
- 6.3 BEL will appoint a Project Steering Committee to provide support and guidance in clarifying the objectives within the Terms of Reference (TOR). All reports produced by the Consultant will be presented and discussed with the Project Steering Committee.

7. Duration and place of the consultancy

- 7.1 The Consultant should plan and organize their work so that the Final Report can be submitted no later than 130 business days after contract signing.
- 7.2 Tentatively BEL will provide the following facilities to assist carrying out of the consultancy:
- Suitable counterpart staff.
 - Data collection assistance including technical data for Belize Electricity Limited.

8. Payments

8.1 The payments will be made as per the following schedule:

- 10% upon receipt and acceptance of the Inception Report
- 25% upon receipt and acceptance by BEL of both the Documentation & Assessment Reports
- 40% upon receipt and acceptance by BEL of the Re-engineering Report
- 25% upon receipt and acceptance by BEL of the Final Report

9. Submission and Evaluation of Proposals

9.1 Information to be provided to BEL by Consultants in their bid submission shall be as follows:

- I. **Technical Qualifications:** relevant experience of the firm and expertise of key members of the team that will be assigned to the project.
- II. **Methodology:** The Consultant will specify the approach and methodology that will be applied to meet the objectives of the TOR. The methodology must include any frameworks and software that will be used to carry out the consultancy.
- III. **Work Plan/Schedule:** The Consultant will submit a work plan outlining how the consultancy will be conducted in a systematic and thorough manner within the schedule provided above. The schedule submitted must include a timeline for meetings, surveys/interviews, data collection and analysis and completion of all reports. **The consultancy must stay within the schedule** and any changes must be mutually agreed upon without affecting the cost. The work plan must outline all aspects, including factors that may impact the consultancy and the deliverables and how they will be addressed.
- IV. **Economic proposal:** applicable rates and fees, number of business days (hours), and total cost to allow the Consultant to carry out the scope of works as described further above.

V. **Exceptions and Clarifications:** the Consultant must clearly outline all concerns and exceptions to the TOR that may contribute to not fully meeting requirements within the TOR.

VI. **Additional Information:** the Consultant must include all additional information that must be provided by BEL to carry out the scope of works.

VII. **Comments by the Consultants:** the Consultant is invited to make comments on and suggest improvements to the TOR. The financial implications, if any, of these recommendations should be indicated separately in the financial proposal.

9.2 BEL will arrange to meet with prospective Bidders before bid submission to answer any query pertaining to the request for bids to help Bidders respond as best as possible in accordance with BEL's needs and expectations.

9.3 Proposals will be evaluated using the criteria below:

A. **Technical proposal (70%)**

- I. Relevant experience of the firm - 20%
- II. Key experts' qualifications and competence - 20%
- III. Methodology - 15%
- IV. Work plan & schedule 15%

The maximum evaluation score for the technical proposal is 70%. If the evaluation score for a technical proposal is less than 45%, then the entire bid will be treated as unresponsive and will not be further evaluated.

B. **Economic proposal (30%)**

- I. The economic proposal will only be evaluated for bids that meet the 45% technical proposal evaluation score threshold.
- II. The economic proposal with the lowest all-in cost will be called the minimum economic proposal and will be allocated the maximum economic proposal evaluation score of 30%.
- III. The remaining proposals will each be given a score equal to:

30% x (Cost of Minimum Economic Proposal)/(Cost of Economic Proposal being evaluated)

- 9.4 The Consultant scoring the highest sum total score of the Technical Proposal evaluation score and the Economic Proposal evaluation score will be selected as the Successful Bidder. The Successful Bidder shall be notified and offered an opportunity to negotiate a contract with BEL to provide the services as stipulated in the TOR. If BEL is unable to reach a suitable agreement with the successful Bidder within 15 business days from the date of notification by BEL to the successful Bidder, then BEL may withdraw its offer to negotiate and agree on such contract and may begin negotiating with the next highest scoring bidder.